IC 75-1305 7 January 1975

MEMORANDUM FOR: D/DCI/IC

SUBJECT:

The Need for a Community Review of its Analysis of the

Internal South Vietnamese Political Situation

1. Attached is Robert Shaplen's most recent article on South Vietnam. I think it is particularly interesting where it examines the current state of the non-communist anti-Thieu forces, the increased possibility that Thieu may step down this year, and the non-communist alternatives to Thieu.

- 2. The products of the intelligence community during the past six months do not compare favorably with this article. I have attached the most recent IM on this subject ("Political Discontent in South Vietnam," 18 November 1974) for purposes of comparison.
- 3. The conventional wisdom is that there is no "serious or immediate threat to the authority of President Thieu and there seems little reason to expect significant erosion of his political position during the next three to five months."* Shaplen's article, while not running the warning flag all the way up, qualifies as a devil's advocate piece. Regardless of whether one agrees or disagrees with the view Shaplen presents, the community owes it serious attention.

/ S /
Colonel, USMC

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Attachments

^{*}Intelligence Memorandum, "Political Discontent in South Vietnam,"
18 November 1974.

MORI/CDF Pages 1, 3-14

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LEADTTER RELEASE 2006/07/24 CM-RDP80M011

DECEMBER 27 MOLITICAL unrest in South Vietnam is once more crupting into the streets, as it has so often before, but lately there have been some signs of non-Communist nationalist strength that could be a new political factor- specifically, in helping to produce a more truly representative government, able to buy time in negotiations with the Communists before a final showdown. This movement faces a number of familiar handicaps, including the endless rivalry among South Vietnamese political and religious leaders and the usual rigidity of the regime of President Nguyen Van Thicu-now in its eighth yeartoward non-Communist opponents. Beyond that, the Communists remain as determined as ever to use their organized military and political power to achieve their unaltered aim of conquering the South one way or another. Nevertheless, the South Vietnamese nationalists, because they are no longer beset by phobias about a vast American presence, feel that they face a new and challenging opportunity. It is soon likely to be tested-and so is the Thieu government itself-in a fresh round of peace talks in Paris and in Vietnam.

Now that Vietnam has ceased to be the paramount and all-consuming issue it once was in the United States

and much of the rest of the worldthough in the almost two years since the ineffective Vietnam ceasefire was proclaimed more lives have been lost in combat here than anywhere else on earth--its fate and fortunes are basically back in the hands of the North and the South Vietnamese themselves rather than in those of outside forces. Of course, it would be a mistake to assume that the United States, the Soviet Union, and China are no longer concerned about what happens in Vietnam or that they are no longer supporting the opposing sides. The issue of continuing American aid is at the moment regarded as particularly vital in Saigon, and Hanoi is similarly dependent upon and worried about Moscow's and Peking's present and future assistance. The balance of the contending forces, when factors of morale and organization as well as numbers of men and amounts of equipment are taken into consideration, is roughly even. A Communist member of the moribund International Commission of Control and Supervision commented recently, "One side is not strong enough to win, and the other is not weak enough to lose" references to Hanoi and Saigon, respectively-which seemed to me as cogent a summation as any I have heard.

During the conversations that President Ford and Secretary of State Hen-

ry Kissinger had last month with the P80M01133A00079045000024 Wivestok and that Kissinger had with the Chinese in Peking. the Communists were again asked to urge the North Vietnamese to return to the peace table to work out further steps toward a long-term settlement. The Americans held considerably less leverage this time, though, than when we were still fully engaged. There are now only seventy-four hundred Americans here, of whom sixteen hundred are official employees-just a hundred and forty-one of them military-and the rest are hired government contractors and miscellaneous civilians and their dependents. Besides, other issues-notably the Middle East, nuclear disarmament, oil, and international trade-are now higher on the agenda of matters to be discussed with the Communist powers. Even so, the competing objectives of the Russians and the Chinese—and, to a somewhat lesser extent, of the Americans—on the Asian continent are still a most vital matter, and Vietnam is still the key to the Asian equation. Whatever compromises may now have been reached by the big powers on the Vietnam question will go a long way toward determining what happens when peace talks resume, possibly early next year. At that time, President Thieu has hinted, he will go further than he has ever yet gone in offering the Provisional Revolutionary Government of South Vietnam, Hanoi's Southern arm, a chance to discuss seriously the political future of the country. Though the P.R.G. declared in a radio broadcast in October that it will not talk with Thieu as long as he remains in power,there is no reason to believe that the Communists mean it any more seriously now than they did before they negotiated in Paris, when they said the same thing. If whatever Thieu offers is good enough, they will certainly discuss it-even if, as before, they continue to talk and fight at the same time. The substance of a Thieu offer would probably be as follows: The South Vietnamese will agree to the establishment of firm demarcation lines and what amount to buffer zones between the opposing parties-as has been done in Laos, where, so far, similar arrangements are working. The Saigon government will also finally agree to the setting up of a tripartite National Council of National Reconciliation and Concord, as outlined in the original Paris accord, giving equal voices to the Communists, the Thieu government, and a supposedly neutral element, whose members are to be approved by

Approved For Release 2006/07/24: CIA-RDP80M01133A000700150002-4 factions. The P.R.G.

pro-tem government of part of South Vietnam in its own right, wad ForcRellease 2006/07/24: CIA-RDP80M01133A000700150002-4 nized capital in Loc Ninh, near the Cambodian border-concessions that the Communists desperately want, along with recognition of the legal status of their own armed forces. The concept of holding general elections involving both Communist and non-Communist factions will be accepted by Saigon for the first time, looking toward the eventual selection of a new National Assembly, and also, perhaps, a Constituent

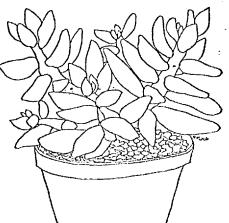
Assembly, to write a new constitution. So far, feelers sent out to the Communists suggesting a return to the peace table have elicited no response, so they have not yet had a chance to hear Thieu's new proposals, but Communist intraparty communications have indicated more of a willingness than previously to discuss concrete new peace arrangements. When the Paris agreement was signed, in January, 1973, it was almost immediately japparent that neither side was prepared to talk seriously about a permanent settlement. The fighting in Vietnam scarcely abated as each side violated the ceasefire in an attempt to grab as much contested territory as possible, and fighting has continued at a varying pace ever since, reaching a peak in August and September of this year. After slackening somewhat for two months, it picked up again in the first half of December, partly owing to the annual competition for portions of the new rice harvest. While the Communists have seized more land, notably in the southernmost parts of the Mekong Delta and in the northern tier of the country, they are privately admitting that at this time they control as little as seven per cent of South Vietnam's population of almost twenty million. A few months ago, they were privately claiming twelve per cent, while publicly asserting that they represented a majority of the people. Their most recent plans, according to orders given to their troops, call for a further steppedup series of attacks in the next two months, and neither Western nor Vietnamese intelligence sources in Saigon rule out the possibility of a general offensive, within the next twelve months, combining the strategy and tactics of the 1968 Tet offensive and the 1972 Easter offensive-the first of which concentrated on the cities and the second on the countryside. With around three hundred thousand soldiers in the South, about a quarter of them local Victoring troops and the rest North Victnamese regulars, and with ample supplies, including tanks and new anti-Approved For Release 2006/07/24:

aircraft weapons, the Commonses are fully capable of another all-out offen-ment against Thieu has been led large- of his family, and his small, closely knit sive lasting two by three months, and have enalternatively, of maintaining the present pace of fighting for four or five years. The level of military activity in the months ahead thus might well depend on the peace talks, if they start in earnest. If Hanoi, which has plenty of economic and morale problems of its own, can buy time by getting the P.R.G. legalized, and thus preparing the groundwork for a coalition government, it will probably do so; if the talks fail to get off the ground, the second option-another full-scale attack-will in all likelihood be chosen.

ESPITE the continued military threat, this is the first time since the Paris conference that the Thieu government, its local nationalist opposition, and the Communists all seem inclined to strike a bargain that could, in the immediate future, bring about a temporary peace and a legitimate, peaceful political contest in the South. It is interesting to note that while some degree of de-facto accommodation between elements of the opposing sides has always existed in the Delta, at similar development is now taking place in the Central Highlands and in some of the coastal areas of central Victnam. A softening of anti-Communist attitudes has derived from mounting resentment against Thieu and against official corruption, and from widespread economic distress, which has affected everyone from the civilian population to the men in Saigon's armed forces, who have had to cope with shortages of everything from ammunition to helicopters; because of the fuel crisis and a lack of spare parts, the total number of helicopter missions throughout the country, for example, has dropped in the past few months from sixteen thousand a month to three thousand, while transport planes and fighter-hombers have also been flying far fewer missions. As the soldiers have become more apathetic, they and their families have privately come to terms with Communist forces in the hamlets and villages, agreeing not to fight, and even making deals for Vietcong cooperation in hunting deer and other animals for food or for sale in the cities. Communist officials have raised no objections to this low-level process of accommodation, and to me such inevitable developments have always seemed the best way to make progress toward peace.

As has been true of the opposition to President Park Chung Hee, in South Korea, and President Ferdinand E.

men-at least, so far. This is troly remarkable in South Vietnam, for not only are the Catholics a minority of two million (mostly refugees who fled North Vietnam after the end of the French Indo-China war, in 1954) but the national government has been dominated by Catholics for most of the last two decades -first in the regime of Ngo Dinh Diem, between 1955 and 1963, and since 1967 in that of Thieu. Last June, taking their cue from recent Vatican declarations emphasizing peace and deploring social evils, and from statements by South Vietnam's fifteen-member Council of Bishops, which, in the fall of 1973 and early in 1974, warned that "this country may be led to ruin by corruption, particularly when corruption is carried out by those in power," a group of priests, under the leadership of Father Tran Hun Thanh, a fifty-nine-year-old Rethe People's Anti-Corruption Movement. The movement was encouraged by several of the more militant bishops-especially Bishop Nguyen Van Nghi, of the Saigon diocese-who, in turn, had the support of the highestranking prelate in the country, Archbishop Nguyen Van Binh, In September, following a series of seminars and meetings at parishes in Saigon and Hué which enabled Father Thanh and his supporters to obtain the signatures of three hundred and one priests out of a total of seventeen hundred in the country upon a "Manifesto Against Corruption, Injustice, and Social Decadence"-in essence, a generalized attack on the Thieu regime-the movement issued a more specific manifesto, "Indictment Number One." The indictment, the full text of which was published by three Saigon newspapers (the day's issues were swiftly confiscated), was directed primarily against



gaged in. It accused Thieu of making huge profits from real-estate deals; of condoning speculative fertilizer deals engineered by his wife's brother; of permitting his wife to make huge profits from a private hospital in Saigon that she had ostensibly built to help the poor; of allowing some of his closest military and civilian associates to profit from a vast heroin traffic--in which, it was suggested, he may have had a share; and of closing his eyes to corrupt rice trading in central Vietnam that was conducted in part by his aunt, whose son Hoang Duc Nha, until recently Minister of Information, was one of his top advisers.

So far, none of these charges have been proved, but Thieu, who has himself condemned the present widespread corruption as "a national calamity and shame," has made no real effort to answer them. He has simply declared demptorist priest in Saigon, launched them to be "smoke screens, fabricated charges entirely forged, and totally groundless slander," and though he is known to have stopped National Assembly committees from investigating some of the allegations, he has said that "if my relatives or my wife or children are corrupt or violate the law, let the law deal with them. I will not take up their defense or condone their offenses]." In an effort to seize a reformer's role in the campaign against corruption, he dismissed three hundred and seventy-seven officers of the armed forces from their current jobs, but many or most of them, including three corps commanders, have simply been transferred to other posts. The corpscommanders were put in charge of training camps for newly inducted soldiers, and some of the other officers, ironically, were assigned to the Inspector General's Department, which investigates charges of corruption in the armed forces. In addition, in an effort to satisfy the demands that he reorganize and cleanse the government, Thieu forced the resignation of Nha and three other top ministers—those in charge of trade and industry, of finance, and of agriculture. As it happened, all four men, in fact, whatever their personal faults, were among the more able in the government. Thica and his Prime Minister, Tran Thien Khiem, offered the posts to members of the opposition, who refused them. and at the end of November, after five weeks of maneuvering, and a partial reorganization of Cabinet functions, the jobs were assigned to ranking civil servants--a move that did nothing to resolve the political situation and left things much portioned For Release 2006/07/24: CIA-RDP80M01133A000700150002-4

the controversial Nha will probably continue to advise Thieu.

All this has naturally pleased the Communists, and must make them ponder further the question of whether to negotiate with Thien now or wait until the burgeoning nationalist third force grows stronger or until the possibility of Thien's leaving office becomes a probability. Thien is alternating an attitude of defensiveness with one of toughness and bravado. In two recent speeches, he has spoken of "my last year in office," asserted that it was "not important" whether he was President any longer but only that the South remain "in the hands of the nationalists" -i.e., anti-Communists-and said, "Please do not worry about me henceforth." Presidential elections are scheduled for next October, following elections for the House of Representatives, and speculation about whether Thicuwill run again has consequently become a favorite pastime in Saigon's rumor-filled coffee and noodle shops.

In his tougher moments, by contrast, Thich has said that he will never give up as long as he feels it his duty to continue leading the crusade against the Communists. At the end of October, he ordered his plainclothes police to break up an all-night vigil of Father Thanh's movement at the Tan-Sa Chan parish church on the outskirts of Saigon, and during the melee seventy-five people were injured and Father Thanh was shoved to the ground. Two weeks later, Thieu, addressing a group at the Information Ministry, warned Catholic demonstrators to stay in their churches, Buddhists to stay in their pagodas, and opposition assemblymen to stay in the House and in the Senate, where they enjoy immunity. In an even tougher speech the same day to seventy-eight government deputies, he said he would use tanks if he had to in order to force the assemblymen to behave. He warned, as he has done repeatedly, of plots by the Communists and the "colonialists" -- by which he apparently means the French (although he was once a French mercenary soldier himself) and, obliquely, the Americans, who he feels have let bim down - to take over Vietnam, and cited as an example what happened in Chile. There is no doubt that in his efforts to discount the opposition movements by calling them names Thieu is trying to conceal his fear of them, and although this does not mean he won't run for reflection dierators seldom give up easily ---my own hunch is that

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Approved For Release 2006/07/24s; GIA-RDR80M0113 ing, or at least arranging for, a settlement that, while giving the Communists a minority voice in the government, would preserve the legality of the seven-year-old Second Republic.

Despite the violations of liberty in South Vietnam, including the mistreatment of prisoners and what at best amounts to limited freedom of the press, the regime prides itself on the

legitimacy it derives from the constitution adopted, under American pressure, in 1967. The American_diplomats now say, in a somewhat faltering defense of Thieu, that they are neither for nor against his running againthough he made such an eventuality possible only by forcing through the National Assembly last January an amendment to permit a third term. Still, the United States prides itself on having fostered that legitimacy, such as it is, and the Americans are therefore against Thieu's resigning before the next election --- which is what the opposition is now demanding. The more practical members of the opposition, and some American officials, too, would prefer to see him clear the air by announcing straight-

forwardly that he won't run in 1975, and that he will meanwhile devote

himself to cleaning up the government

as best he can and preparing the way

for a proper and orderly succession,

based on a well-run election.

AMONG the uncommended the status MONG the uncertainties of that of Thieu, of further peace negotiations, and of the military situation, is that of the new nationalist movement, which is still divided and amorphous. Though in many ways the nationalist movement is more reminiscent of that in 1945 and 1946, when everyone was against the French, than of that in 1963 and 1966, when the Buddhists were alone in fighting the government, it has so far shown only tentative signs of solidifying. Both Catholics and Buddhists are still debating their own problems of policy and organization, and, while maintaining some liaison, are still cautious and suspicious of each other's motives. Some of the nonreligious leaders and the professional nationalists, such as Tran Quoc Buu, the head of Vietnam's largest labor organization, are trying to act as conciliators, and as time goes on they are apt to play a more significant role. What is more impor-

Samuel priests, coung Buddhists, and experienced nonreli-3A0007700189097c working together behind the scenes to create the foundation for a true third force some that would be dominated by neither the Communists nor the government and would hold a valid balance of power in any election. This sort of quiet and efficient cooperation, again reminiscent of the mid-forties, is something Viernam could not develop during three decades of war and of unrealistic ex-

perimentation with imposed Western-style democracy. Potentially, at least, it represents a search for a truly Vietnamese solution, without too much concern over what Americans or any other for-

eigners think.

Father Thanh, with whom I had several conversations, is an obviously sincere and well-meaning, if somewhat naïve, man. One of six children of a mandarin family from central Vietnam, he began organizing youth movements against the Communist Vietminh in Hanoi two years after he was ordained there, in 1943, and fled the city just the day before Ho Chi Minh's entry in August, 1945. In 1954, he worked with pro-Communist Vietnamese refugees in northeast Thailand and wrote three books, so far unpublished, dealing, respectively, with social justice, education, and psychological warfare. After Diem returned to Vietnam in 1954, Father Thanh was one of six Catholic leaders who helped Diem's nefarious brother Ngo Dinh Nhu formulate his Vietnamese version of the humanist French social philosophy known as personnalisme. Eventually, however, Father Thanh had become disillusioned with the Diem government, and went to live and study in Brussels, returning to Vietnam in 1960. For a time, he taught in the national military academy and the defense college and thus has some influence among young Army officers, who, though the Army does not play the political role it once did, could in a crisis lend support to a political movement they felt could avert a Communist takcover.

One of the difficulties that Father Thanh faces is that he is more of a theorist than either a strategist or a tactician. He has surrounded himself with a motley group of clerical and lay advisers who represent every hoe of the political spectrum, and include a number of certifiable opportunistsamong them former members of the Can Lao, a semi-secret organization that was the backbone of the Dans 33A000700150002-4

tant, however, is that a number of mil-Approved For Release 2006/07/24 : CIA-RDP80M011

regame. Also supporting him are members of the old-line nationalist parties most notably the screene Dai Viet, ease 2006/07/24 : CIA-RDP80M01133A000700150002-4 to which one of Thieu's two brothers (and some say Thieu himself) has belonged. After Thieu tried to preëmpt the corruption issue, Father Thanh decided to come out against the President personally and, instead of merely advocating the reform of the regime, to demand the President's resignation. Though he says that he, too, believes in maintaining the government's legitimacy and its constitutional framework, he has called for the creation of a transitional political council pending new elections, and this council would presumably take the place of a legal succession either by Vice-President Tran Van Huong, who is in fragile health, or, if Huong quit, by Senate President Tran Van Lam (a Catholic), who is not especially popular. None of these solutions would appear to be workable, and they would probably make it easier for the Communists to infiltrate and divide the opposition ranks. In the next few months, Father Thanh told me, he and his group will try to organize support in the provinces, holding meetings in local parishes, particularly in the southern Delta. More demonstrations will also be = held in Saigon, in the hope of obtaining greater support from a public that has so far remained both skeptical and scared by Thicu's warnings of a stiffer crackdown on dissenters. One confrontation took place at the end of November and resulted in a fresh outburst of street violence. The Americans, while disavowing allegations that they have secretly backed Father Thanh and other opposition elements, have counselled the President to maintain a strong hand but to be judicious in the use of force and, above all, not to employ American weapons against civilian protesters --- something that the opposition has condemned Thieu for doing.

HE Buddhists of the An Quang I faction, who backed the 1963 overthrow of Diem (only to see his regime ultimately replaced by another Catholic-led one), have been content this time to let the Catholics take the lead in the opposition movement, although Buddhist lay groups have played a major part in the formation of an organization called the National Reconciliation Force, headed by Senator Vu-Van Mau. The N.R.F .-- whose members have openly designated themselves "the new third force";—is, as its name implies, more directly in favor of reaching an agreement with the Communists according to the terms of the

personal support there of Thich Tri-Quang, the leader of the 1963 revolt. Tri Quang, in fact, helped sponsor the creation of the N.R.F. last August, when his longtime colleague and antagonist, Thich Thien Minh (they have been at odds since their student days, thirty years ago), was in Europe attending a world church conference. Upon his return, Thich Thien Minh was furious. The High Secular Conncil of the An Quang Unified Buddhist Association is composed of eighteen Buddhist priests, some of whom claim that efforts to heal the breach between the two monks are progressing, yet in numerous talks I had with Buddhist clerical and lay leaders I gathered that the division within An Quang remains deep. Partly for this reason, the Buddhist priests and the Catholic priests have not yet got together. However, Father Thanh and his group have held several friendly discussions with some of the bonzes-notably with Thich Giac Duc, who supervises six Buddhist youth groups—and a new and healthy development has been the presence of several hundred Buddhists at Catholic meetings and a number of Catholics at Buddhist rallies.

Senator Mau and Vo Dinh Cuong, a particularly militant lay leader, who

heads the Buddhist Family Organization, the largest of the lay groups, have been travelling around central Vietnam trying to establish provincial branches of the N.R.F., and, like the Catholics, they are now trying to organize in the Delta. For the Buddhists, whose leaders are practically all from central Vietnam, this presents an especially difficult problem, because the bonzes in the south are members of the traditionally apolitical Theravada sect,

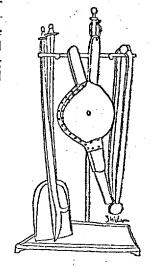
whereas Buddhists of the central and northern sections of the country belong to the far more numerous and politically militant Mahayana group. The N.R.F. demanded Thieu's resignation before the Catholics did, and want a new constitution written before the next election. Though the N.R.F. plans to hold a national convention by next June, it has a lot of organizational work to do before it can be taken seriously. The present looseness of the group, together with the leftist bent of some of its more vocal and active members, leaves it

Paris pact. It has held some meetings than Father Thank's ranks are -a Approved For Release 2006/07/24mglauREP80M01103A000700150002-4s leaders profess to be aware and to be guarding against. What both of these overt movements so far lack is a clear policy line, and this is precisely what those more experienced nationalists and younger clerical elements of both religious who are working behind the scenes are trying to formulate. The labor leader Tran Quoc Buu, for his part, is trying to achieve this objective through the Social Democratic Alliance, in which his Farmer-Worker Party, the Cong Nong, is the most vocal and best organized of seven member groups. Buu, who for the past two years had sought to cooperate with Thieu and to persuade him to adopt social and political reforms, recently made a strong speech to his labor groups denouncing the corruption and social and economic evils that have racked the country under the Then regime. He told me the other day he would do his best to consolidate the opposition but would not be a candidate for President, yet there are many observers in Vietnam, including a number of Americans, who regard him as a logical choice to head a ticket next October.

> As the political scramble intensifies, there is increasing talk of the possibility of a combined Catholic-Buddhist Presidential ticket next fall. One

name being mentioned is that of Justice Tran Minh Tiet, of the Supreme Court, a moderate Catholic, who conceivably might run with Senator Mau, though neither of the two is a particularly forceful man, General Duong Van Minh, the nominal leader of the 1963 coup, who was Chief of State and bas strong Buddhist support, is still a potential candidate, as he was in 1971, and so is Air Vice-Marshal Nguyen Can Ky, the former Prime Minister, who has

been carefully trying to mend his political fences, particularly with the Buddhists, whom he brutally repressed in 1966. If Thieu does withdraw from the race, Khiem, the present Prime Minister, who has maintained a longtime political marriage of convenience with Thien, though they are not personally close, would probably run with the approbation of both Thieu and the Americans, even though Khiem's family, like Thieu's, has been widely accused of corruption. Not to be discounted, especially if the military and



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Joint General Staff; and Marshal Ky. In a crisis, this triumvirate could conceivably take temporary control of the government. Ky is by far the most dynamic personality of the three, and, though a North-Vietnamese by birth, he has acquired considerable popularity during his long years in the South? Moreover, he is willing to meet the Communists halfway in tough negotiations.

LTHOUGH the political situation I in South-Pietnam shows signs of vitality again for the first time in many years, the economic and social picture is disheartening. The country, like most of the rest of the world, is in a serious recession, and there seems little hope of any real recovery in the near future. Inflation, which increased at a rate of sixty-five per cent in 1973, is running at about forty per cent this year. Purchasing power and consumption have continued to drop, and no one except the very rich has the money to buy anything beyond the bare necessities. There are at least half a million unemployed in a population of twenty million, though their lot is being somewhat improved by a governmentsponsored program to put a hundred thousand men to work rehabilitating the cities of Saigon and Danang and constructing irrigation projects nearby. Manufacturing activity has continued to decline in major industries, including textiles, eigarettes, and sugar refining; nevertheless, the country is now self-sufficient in sugar, thanks to increased crops. The production of other crops, including corn, tobacco, and vegetables, has also increased, and the rice harvest, which was up substantially last year, is expected to equal that level, with a crop of seven million tons of paddy predicted for 1974; this would make the country, formerly a rice exporter, almost self-sufficient once more. The domestic prices of all these products have continued to soar, however, Export earnings have increased, but not as much as expected, owing chiefly to a declining demand for fishery products, especially shrimp, and for lumher and rubber. As a result of harsh austerity measures introduced by former Commerce and Industry Minister Nguyen Duc Cuong, which climinated , virtually all luxury imports and cut! back on fuel imports-the local price [of petroleum quadrupled during the year "Victnam's balance-of-payments situation is relatively sound, and its foreign reserves went up from seventy A million dollars last Appilproved For Release 2006/07/24:

there is virtually no new investment, and inventories are piling up. In the year since I was last here, the shops and restaurants in the downtown Saigon area have become almost empty, and the number of beggars on the streets has increased noticeably. Even in Cholon, the relatively prosperous Chinese section of the capital, the volume of business has declined. The

Vietnamese have had one recent stroke

of luck: Early in November, one of the American-backed exploration teams struck oil in the South China Sea, with a promised output of fifteen hundred barrels of oil a day, plus a large amount of natural gas. It will take perhaps another year to determine whether the general area being explored is big enough. for a hoped-for production

of fifty thousand barrels of oil a day within five years. This and other factors could eventually produce an upturn, but in the meantime the atmosphere of stagnation is pervasive.

MIS increasingly serious socialeconomic situation is undoubtedly one reason that the Communists are carefully weighing their options, If they press their military attacks now, while they negotiate, or prior to accepting another ceasefire, they will be in a more advantageous position later, as negotiations come to fruition. In the northern half of South Vietnam, the Communists have almost finished building a new series of connecting roads, which, given their current disposition of forces, all but cuts the country in two from the Laotian border to the Central Highlands and then diagonally northward to the coast of Quang Nam Province, They have finished paving the old Ho Chi Minh Trail, using limestone and packed dirt, and have built an oil pipeline that runs all the way from North Vietnam to Quang Due Province, northeast of Saigon, with refuelling stations along the way. Except in really wet weather, they can now bring in fresh supplies and men from North Vietnam to the III Corps area, just north of Saigon, in three to four weeks instead of the two and a half months it used to take them when the Trail was a web of dirt roads subject to constant American bombardment. In recent weeks, they have made a heavy buildup of supplies to be moved South. In the northern and central parts of South

jovernment highways; threatening the government's pacification program, which has been made more difficult by the forcing of some two hundred thousand new refugees from the areas they had been resettled in following the 1972 Communist offensive; recapturing most of the lightly populated territory they lost after the 1973 ceasefire; and forcing the government to surrender many of its lightly manned outposts. Particularly in the northernmost tier of the country, where the best

Communist forces have tied down the hest government troops, the North Vietnamese have consolidated their hold. In the crucial III Corps region, the Communists are opening up new infiltration routes, and they are doing the same thing in the Delta while consolidating their substantial hold on the

five southernmost provinces and disrupting pacification efforts there. Thus, despite the decrease over the past year in the figures for population under their control, they are obviously prepared to regain control not only over more people-perhaps more than ever beforebut over more land. In the past year or so, they have colonized areas in the northern part of the country, sending in sixty thousand men, women, and children from the North, including both Southern families who went North in 1954 and new Northern ones, and their aim is to send down several hundred thousand such colonists in the next few years. At the same time, they have directed selective artillery barrages against government-controlled village areas to create more refugees, and have stepped up their kidnappings of peasants, of whom eighty-five hundred have been forcibly removed to Communist areas since the ceasefire.

The Communist regular forces of two hundred and twenty-five thousand, which comprise fourteen divisions and numerous autonomous regiments. backed up by six additional divisions in North Vietnam, are confronted by three hundred and seventy-two thousand regular South Vietnamese Army men, plus four hundred and fifty thousand territorials of the Regional and Popular Forces, and four hundred thousand armed People's Self-Defense Forces in the villages and hamlers, However, as many as a quarter of the regular Army men and about that fraction of the territorials are either sonorthern and central parts of South called "phantom soldiers" (who do not Approved For Release 2006/07/24C GIA-RBROMO#133ADQD7:0015QQQ2:14c simply carried as

mission by their superiors to work on their family farms and whose pay is split between them and their commanders). Then, a hundred and fifty thousand of the over-all total are deserters, are wounded or sick, are serving terms for breaking discipline, or are undergoing training courses. Still others are doing odd jobs for province chiefs, who make deals with battalion commanders for these men, known as "ornamental soldiers." Moreover, at least half the Regional Forces are immobilized in outposts, and many regulars are serving in rear areas or holding down desk jobs. Fresh recruitment targets have not been met. On any given day, accordingly, the actual number of Communist and government forces confronting each other in battle is about even, and if the government holds a slight edge, that is minimized by the declining morale of its troops. The decline is reflected in the ratio of weapons lost, especially where outposts have been surrendered or abandoned. Before the Americans came in force to Vietnam, in 1965, the government was losing about two weapons - mostly guns---for every one that the Communists lost, During the period of the American war, the ratio swung way around, with the Communists losing many weapons in captured supply bunkers. Now it is back where it was in the pre-1965 period.

FOUNTERBALANCING such statistics is an equally dark analysis of conditions in North Vietnamo Through intelligence reports, and also through some of the most direct public selfcriticism in which the North Vietnamese leaders have ever engaged, there emerges a picture of a country at odds with itself, uncertain about its future commitments to the South in the face of the need for economic reconstruction at home, and confronting the greatest social unrest since the upheavals that accompanied the draconian land-reform program of the mid-fifties. The fact that the Hanoi regime is not attempting to gloss over its difficulties shows both its perception of the problems and its awareness that it must do something to mollify a population that, with the war against the Americans over, expected an easier life and a lot more concessions than it is receiving. A speech by Prime Minister Pham Van Dong on September 1st, celebrating the anniversary of the August, 1945, revolution, called for unity within the Landong (Workers') Party, enther than as imapproved ForiRelease 2006/07/24:

the people"—a change that reveals the North Vietnam in many years, and it is Approved For Release 2,006/07/24 of IARDR80M01;133A0007,001,50002-4 hat there has been

Editorials and official proclamations constantly stress the need for better "management" in order to improve the slackening agricultural cooperative movement, which is still given top priority, and it is evident that the farms are in serious difficulties-difficulties that were increased by a recent bad crop resulting from a midvear drought followed by late-season typhoons and floods; the word "famine" was used in descriptions of conditions six months ago. "We are facing a situation filled with difficult and complicated tasks. . . . We must not waste even a single day or minute," Premier Dong said. In the spate of criticism about poor labor output and low productivity, Dong and other high Party officials have been unrelenting in attacking "indiscriminate" comments on Party policies and singling out people who have not been sufficiently punished for stealing state property, engaging in illegal business, or disturbing order and security. Last summer, seventeen people were shot in Hanoi for corruption, and a hundred and fifty were arrested in Haiphong for charges ranging from draft dodging to black marketeering. There may soon be a full-fledged Party purge—already heralded by the creation of what may be a Chinese-type Red Guard militia. Both Dong and Le Duan, the First Secretary of the Party, who is generally regarded as North Vietnam's top

leader, have regularly called for "a mass revolutionary movement to rehabilitate and develop the economy," A new five-year plan, the first in ten years, is supposed to begin in 1976; it was announced partly at the urging of the Soviets, and has not yet been

clearly formulated—a state of affairs suggesting that differences prevail within Party ranks.

Official self-criticism reached a peak in an editorial in the September issue of Hoc Tap, Hanoi's leading theoretical monthly, which deplored "alien and hostile tendencies" and "a current of evil thoughts." The "vile deeds" of "dishonest opportunists," the editorial added, as well as "the thoughts of the petty bourgeoisie and bourgeoisie and of the imperialists and their henchmen . . . were the manifestation of the enemy's psychological warfare and of the lack of vigilance over the secret, fishy moves of bad elements." Nothing North Victnam in many years, and it is similar criticism of the behavior of the population and the cadres in Communist areas in the South by the top Communist command there.

MROUGH the peculiar mixture A of strengths and weaknesses revealed by the opposing sides, the major powers loom larger than ever over the stricken battlefield. Together, the Soviet Union and China are still sending an estimated one and a third billion dollars' worth of aid to North Vietnam. at least half of it now consisting of economic assistance, mostly in the form of food and grain, The United States, while waiting for Congress to pass a new economic-aid-appropriations bill for Saigon, is operating under a resolution continuing last year's terms, by which the Vietnamese received three hundred and fifty million in economic assistance. The fiscal-1975 authorization is for four hundred and fifty million in economic aid, but the money has yet to be appropriated. (The 1975 military-aid appropriation stands at seven hundred million dollars, down from eight hundred and twenty-three million last year.) Our Ambassador, Graham A. Martin—though about ten years ago, when he was Ambassador to Thailand, he opposed sending half a million Americans to fight in Victnam-believes strongly in our obligation to help the South Vietnamese survive. Accordingly, he originally sought

> a billion six hundred million dollars and eight hundred and fifty million dollars for military and economic assistance. respectively, this year, and is doing all he can to persuade Congress to restore at least some of the cuts it has made. Unless Congress acts, he

maintains, it will be impossible to resupply Vietnam on the basis of the onefor-one agreement reached with the Communists in Paris-that is, to replace each piece of military equipment lost-and it will be impossible for South Vietnam to overcome its economic problems. After another year or two of comparable or slightly reduced economic help, he argues, the country should be in a position to take advantage of its agricultural and other resources and be ready to "take off," provided peace can be achieved.

What with the corruption that obtains in Vietnam today, and Congress's disinclination to pour more money

Approved For Release 2006/07/24s. CIA-RDP80M01133A00070019000204se drain, Martin

American logislators—and particularly the ones just eleccopproved For Release 2006/07/24 : CIA-RDP80M01133A000700150002-4 minds. He remains convinced that Vietnam has been made a victim of the congressional campaign to slice the Pentagon's over-all budget, and he feels that the economic cuts that have been made are especially shortsighted in view of the current inflation. Aside from the actual sums of money, which do not amount to much compared to the total of approximately a hundred and fifty billion we have spent so far for the war in Indo-China, there are difficult political and moral equations involved. Most Americans here feel that the North Vietnamese will be encouraged to attack rather than negotiate if the aid cuts stand and the economic situation in the South deteriorates further. On the other hand, a minority of Americans here believe that if the cuts stand Thieu will be more inclined to negotiate, and that he would do better politically to negotiate now, given the government's numerically widespread, if tenuous, control over the country, than he would after another Communist offensive, in which he stands a good change of losing a lot of ground. The emerging thirdforce elements, even though anxious to be independent of the Americans, Tayor continued aid, but they would prefer to see it given on a bilateral basis to both North and South Vietnam after a satisfactory peace is obtained.

For Russia, China, and the United States to impose a collective limit on their aid would afford the best hope of forestalling the continuing slaughter, which otherwise may go on indefinitely. The Sino-Soviet conflicts let alone the revolutionary dynamics and obligations of the Communist brotherhood of nations, assuredly makes any such limitation on the part of Russia and China difficult. As for our own assistance to South Vietnam, Ambassador Martin argues, if it can be sustained at last year's level for two more years at most, this should give the various non-Comnumist factions a last chance to get together and maintain that country's in-"----Robert Shaplen dependence#

In our society, the obese are invariably subjected to stigmatizing attitudes. Obesity has most commonly been considered completely physical or psychological, or both in origin; however, it must also be viewed as a social phenomenon. The ways that various cultures and even subgroups within the same culture define it in terms of beauty and ugliness give weight to this American Journal of Nursing.

You couldn't find another word, could you?